

PUBLIC EMPLOYEES RETIREMENT SYSTEM

State Investment Board Balance Sheet As of 12/31/2007

	As of <u>12-31-07</u>	As of <u>6-30-07</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 743,885,299	\$ 792,761,811
INTERNATIONAL EQUITIES	297,169,719	313,679,267
DOMESTIC FIXED INCOME	566,981,765	523,514,215
INTERNATIONAL FIXED INCOME	92,061,932	83,837,842
REAL ESTATE	120,309,014	114,219,432
ALTERNATIVE INVESTMENTS	92,998,179	85,207,940
INVESTED CASH (NOTE 1)	<u>20,129,919</u>	<u>19,621,766</u>
 TOTAL INVESTMENTS	 1,933,535,827	 1,932,842,273
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	4,209,686	4,507,629
MISCELLANEOUS RECEIVABLE	<u>3,754</u>	<u>2,247</u>
 TOTAL RECEIVABLES	 4,213,440	 4,509,876
OTHER ASSETS		
OPERATING CASH	<u>11,708</u>	<u>51,851</u>
 TOTAL ASSETS	 <u><u>\$ 1,937,760,975</u></u>	 <u><u>\$ 1,937,404,000</u></u>
LIABILITIES:		
ACCOUNTS PAYABLE	4,890	10,047
ACCRUED EXPENSES	20,630	20,042
INVESTMENT EXPENSE PAYABLE	<u>3,138,184</u>	<u>3,139,743</u>
 TOTAL LIABILITIES	 3,163,704	 3,169,832
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	1,934,234,168	1,634,909,225
CASH IN DURING YEAR (NOTE 3)	3,208,999	0
CASH OUT DURING YEAR (NOTE 4)	11,165,000	20,410,000
NET INCREASE (DECREASE)	<u>8,319,104</u>	<u>319,734,943</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>1,934,597,271</u>	 <u>1,934,234,168</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u><u>\$ 1,937,760,975</u></u>	 <u><u>\$ 1,937,404,000</u></u>

PUBLIC EMPLOYEES RETIREMENT SYSTEM

State Investment Board Profit and Loss Statement For the Month Ended 12/31/2007

	Month Ended <u>12-31-07</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 4,298,836	\$ 22,884,290
SECURITIES LENDING INCOME	34,077	2,604,720
	<u>4,332,913</u>	<u>25,489,010</u>
 GAIN ON SALE OF INVESTMENTS	 22,718,092	 129,206,411
LOSS ON SALE OF INVESTMENTS	<u>11,993,566</u>	<u>81,597,915</u>
 NET GAINS (LOSSES) INVESTMENTS	 10,724,526	 47,608,496
 INVESTMENT EXPENSES	 1,117,775	 5,798,386
SECURITIES LENDING EXPENSES	29,180	2,463,945
 NET INVESTMENT INCOME	 13,910,484	 64,835,175
 NET APPREC (DEPREC) MARKET VALUE	 (26,441,917)	 (55,995,281)
MISCELLANEOUS INCOME/(EXPENSE)	<u>15,415</u>	<u>(434,276)</u>
 TOTAL INVESTMENT INCOME	 <u>(12,516,018)</u>	 <u>8,405,618</u>
 DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	12,663	86,514
 NET INCREASE (DECREASE)	 <u>\$ (12,528,681)</u>	 <u>\$ 8,319,104</u>

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Notes To Financial Statements
December 31, 2007

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.